GOVERNMENT OF INDIA
AGRICULTURE AND FARMERS WELFARE
LOK SABHA

UNSTARRED QUESTION NO:1399
ANSWERED ON:03.05.2016
Revamping of Crop Insurance Schemes
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Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

(a) whether it is true that the Government is considering to revamp the Crop Insurance Scheme stressing the need to make it more advantageous to the farmers and if so, the details thereof;

(b) the details of the precautions taken by the Government to make the scheme effective in

(c) whether abnormal delays are taking place in settlement of claims of farmers; and

(d) if so, the remedial measures taken by the Government for early settlement of claims and avoid losses to the farmers?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

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(a) & (b): Improvement in crop insurance schemes to make them serve the interests of the farmers better, is a continuous process and steps are taken in this regard by the Government from time to time. Accordingly, Crop Insurance Schemes viz. National Crop Insurance Programme (NCIP) with its three component schemes viz. Modified National Agricultural Insurance Scheme (MNAIS), Weather Based Crop Insurance Scheme (WBCIS) & Coconut Palm Insurance Scheme (CPIS) and National Agricultural Insurance Scheme (NAIS) were comprehensively reviewed and Government of India has approved the Pradhan Mantri Fasal Bima Yojana (PMFBY) to replace National Agricultural Insurance Scheme (NAIS) & Modified National Agricultural Insurance Scheme (MNAIS) from Kharif 2016. Premium rates under Weather Based Crop Insurance Scheme (WBCIS) have also been reduced and brought at par with new scheme.

To shield the farmers from the burden of high premiums under PMFBY & WBCIS, farmer's share in premium for food & oilseeds crops has been fixed at maximum 2% and 1.5% of sum insured for Kharif and Rabi seasons respectively. In case of annual commercial/ horticultural crops maximum premium is 5%. The remaining part of the actuarial premium would be shared by the Central and State Governments on 50 : 50 basis.

(c) & (d): Keeping in view the delays in payment of Insurance claims in earlier schemes, various provisions like use of advanced technology including Smartphone app for conduction & transmission of data/information of Crop Cutting Experiments (CCEs), use of Drones for smart sampling, use of insurance portal for better administration, coordination and transparency between various stakeholders, upfront premium contribution etc. have been made under PMFBY.
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